

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION**

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In re :
INTERNATIONAL HOME FASHIONS, INC., : Chapter 7
Debtor. : Case No. 08-10434 (GRH)
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**SECOND AND FINAL APPLICATION OF
ARENT FOX LLP, AS COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE
PERIOD FROM JANUARY 1, 2009 THROUGH FEBRUARY 28, 2009**

Name of Applicant:	Arent Fox LLP
Authorized to Provide Professional Services to:	The Official Committee of Unsecured Creditors
Compensation Period:	January 1, 2009 – February 29, 2009
Amount of Compensation sought as actual, reasonable and necessary:	<u>\$35,916.50</u>
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	<u>\$ 644.59</u>
Prior Applications:	
Fees Previously Requested:	\$55,708.00
Fees Previously Awarded:	\$55,708.00
Expenses Previously Requested:	\$ 11.82
Expenses Previously Awarded:	\$ 11.82

Arent Fox LLP (the “Applicant” or “Arent Fox”), counsel to the Official Committee (the “Committee”) of Unsecured Creditors of International Home Fashions, Inc., the above-captioned debtor (the “Debtor”), hereby submits its Second and Final Interim Fee Application (the “Fee Application”) for allowance of compensation for legal services rendered to and on behalf of the Committee in the amount of \$35,916.50, together with expense reimbursement in the amount of \$644.59, totaling \$36,561.09, for period beginning January 1, 2009 through February 28, 2009 (the “Fee Period”).¹ Arent Fox also seeks final allowance of compensation for legal services rendered to and on behalf of the Committee for the time period beginning July 2, 2008 through February 28, 2009 (the “Final Period”) in the amount of \$91,624.50, together with expense reimbursement in the amount of \$656.41 for a total of \$92,280.91, and in support thereof, respectfully represents as follows:

INTRODUCTION

1. This Application has been prepared in accordance with the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330, adopted on January 30, 1996.

2. Arent Fox is a law firm employing approximately 340 lawyers. Arent Fox includes a financial restructuring and bankruptcy group with extensive and diverse experience in the areas of bankruptcy, insolvency, and debtor and creditor rights. Arent Fox’s bankruptcy attorneys often represent creditors’ committees in cases such as these.

3. It is respectfully submitted that the services of Arent Fox have been beneficial to the Committee, the Debtor, its estate and its creditors. As a result of the broad range and years of

¹ Detailed statements for the Fee Period are submitted herewith. Statements for prior periods have been submitted with prior fee applications and are also available upon request.

experience of Arent Fox's bankruptcy attorneys, Arent Fox's services were rendered in a most expeditious and efficient manner. Arent Fox submits that if other attorneys with less experience in these types of Chapter 11 cases had been retained by the Committee, the time and effort necessary for such attorneys to become adequately familiar with the law and various issues involved in cases such as these would have caused a substantial increase in the fees requested by Committee counsel. More importantly, however, the results achieved herein could not have been achieved by counsel with less experience.

4. This Application will attempt to briefly summarize the services rendered by Arent Fox on behalf of the Committee during the Fee Period. While it is not possible or practical to restate each and every activity undertaken by Arent Fox, Arent Fox has maintained contemporaneous time records which include a detailed chronology of the daily services rendered describing the precise nature of the work, the specific tasks performed and the time expended by each attorney and paraprofessional. A copy of the time records for the Fee Period is annexed hereto as **Exhibit A**. A breakdown of the hours and fees by attorney and paraprofessional is annexed hereto as **Exhibit B**.

5. Arent Fox has incurred out-of-pocket disbursements during the Fee Period broken down into categories of charges itemized in **Exhibit C**. Each charge incurred by Arent Fox was necessary and was incurred as a direct result of Arent Fox's representation of the Committee.

JURISDICTION

6. This Court has jurisdiction over this Application pursuant to 28 U.S.C. § 157. This is a core proceeding under 28 U.S.C. § 157(a) and (b).

BACKGROUND

7. On June 4, 2008 (the “Petition Date”), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court for the Western District of North Carolina, Ashville Division (the “Court”).

8. On July 2, 2008, the Office of the United States Trustee for the Western District of North Carolina (the “U.S. Trustee”) appointed three (3) members to the Committee pursuant to Sections 1102(a) and 1102(b) of the Bankruptcy Code. On or about July 2, 2008, the Committee met and selected Arent Fox LLP (“Arent Fox”) as its counsel to advise and represent it in the case and this Court entered an order approving and authorizing the retention of Arent Fox as counsel to the Committee.

9. On February 13, 2009, the case was voluntarily converted to chapter 7 by the Debtor filing a Notice of Conversion of Case Under Chapter 11 to a Case Under Chapter 7 (Docket No. 86).

SUMMARY OF SERVICES RENDERED

10. All services for which compensation is requested during the Fee Period by Arent Fox were performed for or on behalf of the Committee.

11. During the Fee Period, Arent Fox advised the Committee on a regular basis with respect to numerous legal matters in connection with the operation and preservation of the Debtor’s business and with respect to all other matters arising in the performance of their duties as the Committee. Arent Fox has prepared various motions, objections, applications, orders and other pleadings that were submitted to the Court for consideration and has performed all reasonable and necessary professional services.

12. The primary services rendered by Arent Fox during the Fee Period are grouped in the categories set forth below.

<u>Matter No.</u>	<u>Matter Name</u>	<u>Matter Description</u>
00002	Case Administration and Operating Reports	Review of docket; review of incoming pleadings; general correspondence and communications on case administration with Debtor and others in case; organization of case; and review of monthly operating reports.
00004	Sale and Disposition of Assets	Sales, leases (§365 matters), abandonment/store closing issues and review of financial reports.
00005	Asset Analysis and Recovery	Identification and review of potential assets including causes of action and non-litigation recoveries.
00007	Miscellaneous Motions and Objections	Analysis and preparation of all other motions; opposition to motions and reply memoranda in support of motions.
00008	Committee and Debtor Communications, Conference Calls and Meetings	Preparing for and attending Creditors' Committee meetings and conference calls. Preparation of emails to Committee regarding updates on case status and strategy going forward. Telephone conferences, emails, correspondences with Debtor's Counsel. Communication with counsel; intra-office communications and strategy; multi-person activities.
00022	Fee Applications	Preparation of fee application for self. Review of invoices. Review of local rules with respect to professionals' compensation. Review of fee applications of others.

SUMMARY OF ARENT FOX'S EFFORTS

13. As counsel to the Committee, Arent Fox was called upon to advise the Committee in connection with a wide variety of issues since the inception of the Chapter 11 case. Arent Fox counseled the Committee on numerous issues relating to the fiduciary duties of the Committee and proceedings within the framework of Chapter 11, advised the Committee in performing

many tasks, and reviewed and commented on numerous motions, responses, orders and other pleadings made by the Debtor and other parties in interest.

14. Throughout the case, as evidenced by the detailed time records attached hereto, Arent Fox diligently worked to ensure that the case was staffed efficiently, utilizing attorneys with expertise appropriate to the tasks presented and at the lowest billing rate to ensure proper representation. Arent Fox respectfully submits that the fees and expenses requested herein are reasonable.

15. Throughout these proceedings, Arent Fox actively and strenuously protected the interests of the Debtor's estate and counseled the Committee to allow its members to satisfy their fiduciary duties. Arent Fox worked diligently in negotiating and disputing various issues before they reached the level of litigation before this Court, in order to maximize the benefit to the Debtor's estate and to limit administrative expenses. It is submitted that Arent Fox provided substantial benefit to the Debtor's estate, in addition to assisting the Committee and its members in participating in these proceeding and satisfying their fiduciary duties. As Judge Rakoff stated, it is imperative that the Committee be represented by competent and diligent counsel, because Chapter 11 is a difficult and arcane process, filled with traps for the unwary and committee members cannot hope to fulfill their fiduciary duties without proper representation. See In re Standard Steel, 200 B.R. 511, 513 (S.D.N.Y. 1996) (Rakoff, J.).

16. Arent Fox worked closely with the Committee, the Debtor and various other creditors and other parties in interest, to ensure proper, efficient and cost effective representation of the Committee, balanced against the need to obtain specific relief and an ultimate resolution that will ensure the maximum recovery to unsecured creditors. As part of this analysis, Arent

Fox completed significant factual investigation, as well as legal analysis. It is for these efforts that Arent Fox seeks compensation.

REASONABLENESS OF FEES

17. Arent Fox believes that its billing rates in the Chapter 11 case, which reflect Arent Fox's customary billing rates, are "reasonable billing rates" for purposes of this Court's determination of the "reasonableness" of the fees for services rendered. Arent Fox's customary billing rates were disclosed in the retention papers and approved by this Court.

18. The rates charged by Arent Fox professionals are reasonable and are consistent with customary rates charged by similar law firms. Indeed, it is submitted that the rates charged are significantly less than many firms providing similar services. If the case was not a case under the Bankruptcy Code, Arent Fox would charge and expect to receive, on a current basis, an amount at least equal to the amounts requested herein for professional services.

STATUTORY BASIS FOR COMPENSATION

19. The statutory predicates for the relief sought herein are Sections 330 and 331 of the Bankruptcy Code, as supplemented by Federal Rule of Bankruptcy Procedure 2016. Arent Fox seeks compensation for actual, necessary professional services rendered and reimbursement of reasonable expenses incurred on behalf of the Committee during the Fee Period.

20. Section 331 of the Bankruptcy Code permits professionals employed by the Bankruptcy Court to apply for interim compensation under the standards set forth in Section 330. Section 330(a)(1) of the Bankruptcy Code allows for the following: (A) reasonable compensation for actual, necessary services rendered by. . [an] attorney and by any paraprofessional person employed by such [attorney]; and (B) reimbursement for actual, necessary expenses.

21. Section 330(a)(3)(A) of the Bankruptcy Code provides that,

[i]n determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including (A) the time spent on such services; (B) the rates charged for such services; (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under [Title 11]; (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue or task addressed; and (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title [11].

11 U.S.C. § 330(a)(3).

22. Congress intended that bankruptcy attorneys be compensated at the market rate for comparable services in non-bankruptcy cases. See In re Ames Dep't Stores, Inc., 76 F.3d 66, 71 (2d Cir. 1996) (citing In re UNR Indus., Inc., 986 F.2d 207, 208-09 (7th Cir. 1993)); see also In re Drexel Burnham Lambert Group, Inc., 133 B.R. 13, 21-22 (Bankr. S.D.N.Y. 1991). The policy of Section 330 is to ensure that qualified attorneys will "not be deterred from taking bankruptcy cases due to a failure to pay adequate compensation." Ames Dep't Stores, 76 F.3d at 72 (citing UNR Indus., 986 F.2d at 210).

23. This Application is submitted under the standard approved by this Bankruptcy Court and other courts as set forth in In re Colonial Corp. of America, 545 F.2d 1291 (5th Cir. 1977), and as set forth in § 330 of the Bankruptcy Code. These standards include the time and labor required; the novelty and difficulty of the questions, the skill requisite to performing the legal service properly; the preclusion of other employment due to acceptance of the case; the rates charged for such services; whether the fee is fixed or contingent; time limitations imposed by the client or other circumstances; whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, the case; the experience, reputation and ability of counsel; and, whether the compensation is reasonable

based on the customary compensation charged by comparably skilled practitioners in cases other than cases under Title 11. Under those standards, Arent Fox submits that the interim compensation and expenses requested herein are reasonable for the legal services rendered in the chapter 11 case by counsel in this case.

24. The court's examination of the reasonableness of services rendered must be conducted in an "objective manner, based upon what services a reasonable lawyer or legal firm would have performed" Ames Dep't Stores, 76 F.3d at 72 (citing In re Matter of Taxman Clothing Co., 49 F.3d 310, 315 (7th Cir. 1995)).

25. A Certification of Robert M. Hirsh in support of this Application attesting to Arent Fox's compliance with the United States Trustee's Guidelines is annexed hereto as **Exhibit D**.

CONCLUSION

26. In accordance with the factors enumerated in Section 331 of the Bankruptcy Code, the amounts requested herein are fair and reasonable given (a) the complexity of the case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code.

27. Arent Fox submits that pursuant to the criteria normally examined in bankruptcy cases, and based upon the factors considered in accordance with Sections 330 and 331 of the Bankruptcy Code and Bankruptcy Rule 2016, the results achieved provide more than sufficient justification for approval of the compensation sought by Arent Fox.

28. As a result of Arent Fox's efforts herein, it is respectfully submitted that unsecured creditors received the competent and diligent representation to which they are entitled,

and it is further submitted that Arent Fox's efforts also resulted in a substantial benefit to the Debtors' estates.

WHEREFORE, Arent Fox respectfully requests that that this Court enter an order (a) approving the allowance and payment of compensation for professional services rendered to the Committee during the Fee Period in the amount of \$35,916.50 and approving the reimbursement of Arent Fox's out-of-pocket expenses incurred in connection with rendering of such services during the Fee Period in the amount of \$644.59; (b) approving the final allowance and payment of compensation for professional services rendered to the Committee during the Final Period in the amount of \$91,624.50 and approving the reimbursement of Arent Fox's out-of-pocket expenses incurred in connection with the rendering of such services during the Final Period in the amount \$656.41; and (c) granting such other, further and different relief as it deems just and proper.

Dated: New York, New York
April 9, 2009

ARENT FOX LLP

By: /s/ Robert M. Hirsh
Robert M. Hirsh (RH-5499)
Heike M. Vogel (HV-2398)
1675 Broadway
New York, NY 10019
(212) 484-3900

Attorneys for the Official Committee of
Unsecured Creditors

EXHIBIT A

1050 Connecticut Ave., N.W.

Washington, D.C. 20036-5339

Telephone: (202) 857-6000 Telecopy: (202) 857-6395

Taxpayer Identification Number: 53-0214923

International Home Fashions, Inc. - Official Committee of
Unsecured Creditors
444 East Main Street
Fort Wayne, IN 46802
Attn: Martin E. Seifert

Invoice Number 1190017
Invoice Date 03/30/09
Client Number 030793

Category	Hours	Total

FOR PROFESSIONAL SERVICES RENDERED THROUGH FEBRUARY 28, 2009		
00000 General	.00	644.59
00002 Case Management and Operating Reports	6.10	2,988.00
00004 Sale and Disposition of Assets	5.10	2,958.00
00005 Asset Analysis and Recovery	12.70	5,822.00
00007 Miscellaneous Motions and Objections	28.30	15,801.50
00008 Committee and Debtor Communications, Conference	9.20	4,716.00
00022 Fee Applications	10.70	3,631.00
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Totals	72.10	36,561.09

(00000) MATTER NUMBER

RE: General

FOR PROFESSIONAL SERVICES RENDERED THROUGH: FEBRUARY 28, 2009

FOR CHARGES:

01/30/09	WESTLAW User: KOZLOWSKI, DAVID	4.06
01/30/09	WESTLAW User: KOZLOWSKI, DAVID	19.51
01/30/09	WESTLAW User: KOZLOWSKI, DAVID	85.84

TOTAL FOR: WESTLAW	109.41
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02/17/09	TAXICABS - ROBERT HIRSH	49.75
	02/17: PARKING/TAXI: TRAVEL DEST: NORTH CAROLINA-INTERNATIONAL HOME	

TOTAL FOR: TAXICABS	49.75
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02/17/09	MEALS - ROBERT HIRSH 02/17: MEALS: T GARDNER, R HIRSH-INTERNATIONAL HOME: TRAVEL DEST; NORTH CAROLINA	51.20
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TOTAL FOR: MEALS	51.20
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02/17/09	OUT-OF-TOWN TRANSPORTATION - ROBERT HIRSH 02/17: FLIGHT CHANGE FEE: TRAVEL DEST: NORTH CAROLINA	75.00
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02/17/09	OUT-OF-TOWN TRANSPORTATION - ROBERT HIRSH 02/17: US AIRWAYS: TRVLE DEST: NORTH CAROLINA-INTERNATIONAL HOME	184.45
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TOTAL FOR: OUT-OF-TOWN TRANSPORTATION	259.45
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02/17/09	OUT OF TOWN LODGING - ROBERT HIRSH 02/17: MARRIOTT: TRAVEL DEST: NORTH CAROLINA-INTERNATIONAL HOME	159.76
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TOTAL FOR: OUT OF TOWN LODGING	159.76
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02/17/09	OUT-OF-TOWN MEALS - ROBERT HIRSH 02/17: MEALS: TRAVEL DEST; NORTH CAROLINA	15.02
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TOTAL FOR: OUT-OF-TOWN MEALS	15.02
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CURRENT CHARGES

644.59

SUBTOTAL FOR THIS MATTER

\$644.59

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(00002) MATTER NUMBER

RE: Case Management and Operating Reports

FOR PROFESSIONAL SERVICES RENDERED THROUGH: FEBRUARY 28, 2009

Date	Timekeeper		Hours	Value
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01/05/09	HM VOGEL	Correspondence with T. Gardner re telephone conference to discuss strategy moving forward and review of correspondence from J. McVay re same.	.6	288.00
01/10/09	HM VOGEL	Multiple correspondence with T. Gardner re strategy moving forward with respect to upcoming hearing, committee's turnover motion, fee application and disclosure statement.	.6	288.00
01/20/09	RM HIRSH	Telephone conference with T. Gardner and H. Vogel regarding Motion for Turnover, overall case status and strategy.	.6	348.00
01/20/09	HM VOGEL	Review and analyze correspondence from T. Gardner and J. McVay re status of case and strategy moving forward with respect to upcoming hearing.	.4	192.00
01/20/09	HM VOGEL	Telephone conference with T. Gardner and Rob Hirsh re arguments by debtors' counsel with respect to loan of T. Smith, upcoming hearing, committee's turnover motion and strategy moving forward and follow up discussions with Rob Hirsh re same.	.7	336.00
02/02/09	HM VOGEL	Telephone conference with T. Gardner re status of 2004 application, upcoming hearing and strategy moving forward .	.4	192.00
02/03/09	HM VOGEL	Telephone conference with T. Gardner re filing of 2004 application, service of notices of deposition, and strategy moving forward and follow up discussion with Rob Hirsh re same.	.7	336.00
02/12/09	HM VOGEL	Review of Court docket with respect to debtor's counsel's allegations that Bank filed conversion motion and office meeting with Rob Hirsh re same.	.6	288.00
02/12/09	HM VOGEL	Organize pertinent pleadings for Rob Hirsh for upcoming hearing and provide brief explanation to Rob Hirsh with respect to same.	.7	336.00
02/18/09	HM VOGEL	Telephone conference with Rob Hirsh re ruling of the Court to convert case, and follow up e-mails to Jim Sullivan and George Angelich with respect to possible filing of notice of appeal.	.8	384.00

CURRENT FEES

2,988.00

TIMEKEEPER TIME SUMARY

ROBERT HIRSH .6 at \$580.00 = 348.00
HEIKE M. VOGEL 5.5 at \$480.00 = 2,640.00

TOTALS 6.1 2,988.00

SUBTOTAL FOR THIS MATTER

\$2,988.00

(00004) MATTER NUMBER

RE: Sale and Disposition of Assets

FOR PROFESSIONAL SERVICES RENDERED THROUGH: FEBRUARY 28, 2009

Date	Timekeeper		Hours	Value
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01/08/09	RM HIRSH	Attended to sale of assets and conferenced with H. Vogel regarding same and strategy.	.5	290.00
01/27/09	RM HIRSH	Review/analysis Weekly Inventory Valuation Summary and Sales Reports.	.8	464.00
01/28/09	RM HIRSH	Attended to sale issues and conferenced with H. Vogel regarding same.	.5	290.00
02/06/09	RM HIRSH	Attended to sale issues.	.5	290.00
02/10/09	RM HIRSH	Preparation for depositions and conferenced with T. Gardner regarding same and strategy.	2.8	1,624.00

CURRENT FEES

2,958.00

TIMEKEEPER TIME SUMARY

ROBERT HIRSH	5.1	at \$580.00 =	2,958.00
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TOTALS	5.1		2,958.00

SUBTOTAL FOR THIS MATTER

\$2,958.00

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(00005) MATTER NUMBER

RE: Asset Analysis and Recovery

FOR PROFESSIONAL SERVICES RENDERED THROUGH: FEBRUARY 28, 2009

Date	Timekeeper		Hours	Value
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01/12/09	RM HIRSH	Review/analysis loan balance and attended to strategy.	.8	464.00
01/13/09	RM HIRSH	Review/analysis Sales Summaries, Accounting and Weekly Financial Update report for week ending January 11, 2009 and conferenced with H. Vogel regarding same and strategy.	.9	522.00
01/28/09	HM VOGEL	Review and analyze latest financial reports provided by debtor and JLA.	1.6	768.00
01/30/09	HM VOGEL	Review of correspondence from T. Gardner to attorneys for debtor, the bank and various other parties re production of documents with respect to payment of the Smith loan and correspondence with Rob Hirsh re same.	.6	288.00
01/30/09	HM VOGEL	Telephone conference with T. Gardner re preparation of 2004 application for examination of the debtor and the bank and strategy moving forward.	.2	96.00
01/30/09	HM VOGEL	Work with David Kozlowski with respect to preparation of first drafts of the 2004 application for examination of the debtor and the bank.	.3	144.00
01/30/09	HM VOGEL	Review and revise 2004 application and send draft to T. Gardner with brief explanation re same and filing with the Court and follow up with Rob Hirsh re same.	1.6	768.00
01/30/09	DJ KOZLOWSKI	Meeting with H. Vogel re drafting a 2004 motion.	.3	108.00
01/30/09	DJ KOZLOWSKI	Draft and revise 2004 motion; forward the same to H. Vogel.	3.4	1,224.00
02/02/09	HM VOGEL	Review and analyze J. McVay's latest financial report and correspondence with T. Gardner with respect to balance due to bank.	.6	288.00
02/05/09	HM VOGEL	Review and analyze 2004 order approved by the Court and distribute same with brief explanation to the committee.	1.6	768.00
02/09/09	HM VOGEL	Review and analyze financial information provided by J. McVay.	.8	384.00

CURRENT FEES

5,822.00

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TIMEKEEPER TIME SUMARY

ROBERT HIRSH	1.7	at	\$580.00 =	986.00
HEIKE M. VOGEL	7.3	at	\$480.00 =	3,504.00
DAVID J. KOZLOWSKI	3.7	at	\$360.00 =	1,332.00
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TOTALS	12.7			5,822.00

SUBTOTAL FOR THIS MATTER

\$5,822.00

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(00007) MATTER NUMBER

RE: Miscellaneous Motions and Objections

FOR PROFESSIONAL SERVICES RENDERED THROUGH: FEBRUARY 28, 2009

Date	Timekeeper		Hours	Value
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02/02/09	RM HIRSH	Review/analysis and revise Committee's 2004 Motion and telephone conference with T. Gardner regarding same and strategy.	1.3	754.00
02/11/09	RM HIRSH	Preparation Rule 2004 examination and conferenced with T. Gardner regarding same and strategy.	1.1	638.00
02/13/09	HM VOGEL	Correspondence with T. Gardner and Rob Hirsh re debtor's notice of conversion and continuance request and follow up discussions with Rob Hirsh re same.	.8	384.00
02/13/09	HM VOGEL	Review and analyze committee's objection to debtor's notice of conversion and discussion with Rob Hirsh re same and applicable law.	1.3	624.00
02/13/09	HM VOGEL	Review of Court docket and collect pertinent pleadings for Rob Hirsh in preparation of upcoming hearing in Asheville, NC.	.4	192.00
02/17/09	RM HIRSH	Preparation for hearing on Motion to Compel payment and Turnover and conversion of case (3.10); Travel regarding same (2.60); Conferenced with T. Gardner regarding strategy (1.20).	6.9	4,002.00
02/17/09	HM VOGEL	Review of Court's filing of notice of conversion and preparation of e-mail to Rob Hirsh and T. Gardner with respect to same and informing Court of error.	.7	336.00
02/18/09	JM SULLIVAN	Communications regarding conversion of case to Chapter 7 and issues relating to potential appeal of same.	2.5	1,550.00
02/18/09	LA INDELICATO	Retrieve Notice of Voluntary Conversion for James Sullivan.	.1	26.50
02/18/09	LA INDELICATO	Discussions and correspondence with Heike Vogel and James Sullivan regarding conversion of case to Chapter 7 and possibility of filing Notice of Appeal.	.6	159.00
02/18/09	RM HIRSH	Preparation for hearing on Motion to Compel Turnover and Conversion (1.40); Multiple conferences with Debtor's counsel, Bankruptcy Administrator and counsel for the Bank of Ashwood regarding settlement (1.10); Attended	10.1	5,858.00

		hearing regarding same (2.50); Travel from North Carolina regarding same (5.10).		
02/18/09	GA	ANGELICH	Telephone call with Rob Hirsh re preparation of Notice of Appeal (.10); organize and assign work for preparation of appeal and withdrawal of reference (.30); organize and confer with Rob Hirsh and Jim Sullivan on conversion (.70)	1.1 506.00
02/19/09	GA	ANGELICH	Confer with Rob Hirsh and Jim Sullivan re preparing appeal to conversion	.6 276.00
02/19/09	JM	SULLIVAN	Communications regarding possible appeal of conversion to Chapter 7.	.8 496.00

CURRENT FEES

15,801.50

TIMEKEEPER TIME SUMARY

JAMES M. SULLIVAN	3.3	at	\$620.00 =	2,046.00
ROBERT HIRSH	19.4	at	\$580.00 =	11,252.00
HEIKE M. VOGEL	3.2	at	\$480.00 =	1,536.00
GEORGE ANGELICH	1.7	at	\$460.00 =	782.00
LISA INDELICATO	.7	at	\$265.00 =	185.50
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TOTALS	28.3			15,801.50

SUBTOTAL FOR THIS MATTER

\$15,801.50

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(00008) MATTER NUMBER

RE: Committee and Debtor Communications, Conference
Calls and Meetings

FOR PROFESSIONAL SERVICES RENDERED THROUGH: FEBRUARY 28, 2009

Date	Timekeeper		Hours	Value
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01/08/09	HM VOGEL	Review and analyze update prepared by T. Gardner and M. Seifert and telephone conference with T. Gardner re same.	.8	384.00
01/27/09	RM HIRSH	Conferenced with T. Gardner and H. Vogel regarding strategy.	.8	464.00
01/27/09	HM VOGEL	Draft, review and revise update for committee and review of latest financial information and debtor's correspondence with respect to same.	1.4	672.00
01/28/09	HM VOGEL	Preparation of e-mail to committee re next committee call and provide instructions for participating in the telephonic conference.	.3	144.00
02/02/09	RM HIRSH	Attended Committee conference call regarding status and strategy (.50); Multiple telephone conferences with T. Gardner regarding Motion to Compel Turnover, discovery and strategy (1.20); Conferenced with H. Vogel regarding same (.50).	2.2	1,276.00
02/02/09	HM VOGEL	Preparation for and participate in call with committee re 2004 application, committee's turnover motion and strategy moving forward and follow up discussions with Rob Hirsh re same.	.8	384.00
02/14/09	HM VOGEL	Review and analyze Court docket with respect to debtor's sudden and unexpected request for conversion and continuance of 2004 and draft, review and revise summary for committee distribution filed committee objection to such requests and multiple correspondence with T. Gardner, Rob Hirsh and committee members re same.	1.6	768.00
02/16/09	HM VOGEL	Correspondence with M. Seifert re possible strategy moving forward and follow up with T. Gardner re status of depositions.	.6	288.00
02/18/09	HM VOGEL	Draft, review and revise update to committee with respect to Court's ruling to convert and strategies moving forward .	.7	336.00

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CURRENT FEES

4,716.00

TIMEKEEPER TIME SUMMARY

ROBERT HIRSH	3.0	at \$580.00 =	1,740.00
HEIKE M. VOGEL	6.2	at \$480.00 =	2,976.00
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TOTALS	9.2		4,716.00

SUBTOTAL FOR THIS MATTER

\$4,716.00

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(00022) MATTER NUMBER

RE: Fee Applications

FOR PROFESSIONAL SERVICES RENDERED THROUGH: FEBRUARY 28, 2009

Date	Timekeeper		Hours	Value
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01/08/09	LA INDELICATO	Preparation of fee application and exhibits thereto.	2.8	742.00
01/08/09	HM VOGEL	Review and revise all Arent Fox invoices and first fee application and telephone conference and office conference with Lisa Indelicato re same.	.8	384.00
01/09/09	HM VOGEL	Final review of Arent Fox first fee application, telephone conference with Lisa Indelicato re same and distribute draft to T. Gardner with brief explanation of filing fee application with the Court.	1.2	576.00
01/09/09	LA INDELICATO	Finish preparation of fee application and exhibits and forward to Heike Vogel.	2.6	689.00
01/30/09	LA INDELICATO	Response to Accounting's inquiries regarding status of invoices.	.3	79.50
02/11/09	HM VOGEL	Review and analyze Arent Fox invoice in preparation of drafting next fee application.	.3	144.00
02/13/09	LA INDELICATO	Review docket, determine status of fee application and calendar hearing date and objection deadline for Hirsh.	.3	79.50
02/17/09	HM VOGEL	Draft, review and revise order approving Arent Fox fee application and coordinate with Lisa Indelicato the uploading of same with the Court and follow up with Rob Hirsh re same.	1.4	672.00
02/17/09	LA INDELICATO	Review local rules and procedures and upload Order Allowing AF Interim Fees; discuss with Heike Vogel.	.4	106.00
02/27/09	NA CONSTANTINO	Review prior fee applications and determine timelines for upcoming fee applications (added to status chart)	.6	159.00

CURRENT FEES

3,631.00

30 MARCH 2009

Page 13

TIMEKEEPER TIME SUMARY

HEIKE M. VOGEL	3.7	at	\$480.00 =	1,776.00
LISA INDELICATO	6.4	at	\$265.00 =	1,696.00
NOVA A. CONSTANTINO	.6	at	\$265.00 =	159.00
	----			-----
TOTALS	10.7			3,631.00

SUBTOTAL FOR THIS MATTER

\$3,631.00

SUMMARY OF CHARGES

TOTAL FOR: WESTLAW	109.41
TOTAL FOR: TAXICABS	49.75
TOTAL FOR: MEALS	51.20
TOTAL FOR: OUT-OF-TOWN TRANSPORTATION	259.45
TOTAL FOR: OUT OF TOWN LODGING	159.76
TOTAL FOR: OUT-OF-TOWN MEALS	15.02

030793 International Home Fashions, Inc. - Offi Invoice Number 1190017
30 MARCH 2009 Page 15

	Area of Expertise, Year Admitted	Hours	Rate (\$)	Amount (\$)
PARTNER				
JAMES M. SULLIVAN		3.30	620.00	2,046.00
ROBERT HIRSH	BR, 1998 (NY & NJ)	29.80	580.00	17,284.00
ASSOCIATES				
HEIKE M. VOGEL	BR, 2000 (NJ), 2001 (NY)	25.90	480.00	12,432.00
GEORGE ANGELICH	BR, 2000 (PA), 2003 (DC), 2005 (NY)	1.70	460.00	782.00
DAVID J. KOZLOWSKI		3.70	360.00	1,332.00
PARAPROFESSIONALS				
LISA INDELICATO	BR	7.10	265.00	1,881.50
NOVA A. CONSTANTINO		.60	265.00	159.00
		72.10		35,916.50

Blended Rate: 498.15

BF: Banking and Finance
BR: Bankruptcy and Reorganization
CORP: Corporate
EMPL: Employment Law
HEALTH: Health Law
INTL: International Law
LDR: Litigation Dispute Resolution
RE: Real Estate

CURRENT CHARGES FOR ALL MATTERS	644.59
CURRENT FEES FOR ALL MATTERS	35,916.50
TOTAL AMOUNT OF THIS INVOICE	\$36,561.09

1050 Connecticut Ave., N.W.

Washington, D.C 20036-5339

Telephone: (202) 857-6000 Telecopy: (202) 857-6395

Taxpayer Identification Number: 53-0214923

International Home Fashions, Inc. - Official Committee of
Unsecured Creditors
444 East Main Street
Fort Wayne, IN 46802
Attn: Martin E. Seifert

Invoice Number 1190017
Invoice Date 03/30/09
Client Number 030793

- - REMITTANCE COPY - -
PLEASE SEND WITH CHECK

TOTAL AMOUNT OF THIS INVOICE

\$36,561.09

PLEASE REMIT PAYMENT BY CHECK TO THE FOLLOWING ADDRESS:

Arent Fox LLP
P.O. Box 758670
Baltimore, Maryland 21275

WIRING INSTRUCTIONS (if applicable):

Bank: Wachovia Bank, NA
Address: Roanoke, VA
ABA#: 051400549
SWIFT CODE: PNBPU33 (for international use)
Account #: 2065204060070
Beneficiary Name: Arent Fox LLP
Beneficiary Address: 1050 Connecticut Ave., NW
Washington, DC 20036

Please reference the following:

Client # 030793
Client Name International Home Fashions, Inc. - Official Commit
Invoice Number 1190017

All invoices are due upon receipt.

Balance due reflects payments received through invoice date.

Any time, disbursements, and charges relating to this matter not shown above will appear on next month's bill.

EXHIBIT B

030793 International Home Fashions, Inc. - Offi Invoice Number 1190017
30 MARCH 2009 Page 15

	Area of Expertise, Year Admitted	Hours	Rate (\$)	Amount (\$)
PARTNER				
JAMES M. SULLIVAN		3.30	620.00	2,046.00
ROBERT HIRSH	BR, 1998 (NY & NJ)	29.80	580.00	17,284.00
ASSOCIATES				
HEIKE M. VOGEL	BR, 2000 (NJ), 2001 (NY)	25.90	480.00	12,432.00
GEORGE ANGELICH	BR, 2000 (PA), 2003 (DC), 2005 (NY)	1.70	460.00	782.00
DAVID J. KOZLOWSKI		3.70	360.00	1,332.00
PARAPROFESSIONALS				
LISA INDELICATO	BR	7.10	265.00	1,881.50
NOVA A. CONSTANTINO		.60	265.00	159.00
		72.10		35,916.50

Blended Rate: 498.15

BF: Banking and Finance
BR: Bankruptcy and Reorganization
CORP: Corporate
EMPL: Employment Law
HEALTH: Health Law
INTL: International Law
LDR: Litigation Dispute Resolution
RE: Real Estate

EXHIBIT C

(00000) MATTER NUMBER
RE: General

FOR PROFESSIONAL SERVICES RENDERED THROUGH: FEBRUARY 28, 2009

FOR CHARGES:

01/30/09	WESTLAW User: KOZLOWSKI, DAVID	4.06
01/30/09	WESTLAW User: KOZLOWSKI, DAVID	19.51
01/30/09	WESTLAW User: KOZLOWSKI, DAVID	85.84

TOTAL FOR: WESTLAW 109.41

02/17/09	TAXICABS - ROBERT HIRSH	49.75
02/17: PARKING/TAXI: TRAVEL DEST: NORTH CAROLINA-INTERNATIONAL HOME		

TOTAL FOR: TAXICABS 49.75

02/17/09	MEALS - ROBERT HIRSH 02/17: MEALS: T GARDNER, R HIRSH-INTERNATIONAL HOME: TRAVEL DEST; NORTH CAROLINA	51.20
----------	---	-------

TOTAL FOR: MEALS 51.20

02/17/09	OUT-OF-TOWN TRANSPORTATION - ROBERT HIRSH 02/17: FLIGHT CHANGE FEE: TRAVEL DEST: NORTH CAROLINA	75.00
----------	---	-------

02/17/09	OUT-OF-TOWN TRANSPORTATION - ROBERT HIRSH 02/17: US AIRWAYS: TRV EL DEST: NORTH CAROLINA-INTERNATIONAL HOME	184.45
----------	---	--------

TOTAL FOR: OUT-OF-TOWN TRANSPORTATION 259.45

02/17/09	OUT OF TOWN LODGING - ROBERT HIRSH 02/17: MARRIOTT: TRAVEL DEST: NORTH CAROLINA-INTERNATIONAL HOME	159.76
----------	--	--------

TOTAL FOR: OUT OF TOWN LODGING 159.76

02/17/09	OUT-OF-TOWN MEALS - ROBERT HIRSH 02/17: MEALS: TRAVEL DEST; NORTH CAROLINA	15.02
----------	--	-------

TOTAL FOR: OUT-OF-TOWN MEALS 15.02

CURRENT CHARGES

644.59

SUBTOTAL FOR THIS MATTER

\$644.59

EXHIBIT D

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION**

----- x		
In re	:	
	:	
INTERNATIONAL HOME FASHIONS, INC.,	:	Chapter 7
	:	
Debtor.	:	Case No. 08-10434 (GRH)
	:	
----- x		

CERTIFICATION OF ROBERT M. HIRSH

Pursuant to the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. Section 330 (collectively, the "Guidelines"), the undersigned, a member of the firm of Arent Fox LLP ("Arent Fox"), hereby certifies with respect to Second and Final Application of Arent Fox LLP as Counsel to the Official Committee of Unsecured Creditors for Allowance of Compensation and for Reimbursement of Expenses (the "Application"), as follows:

1. I am a "Certifying Professional" as defined in the Guidelines.
2. I have read the Application.
3. I certify that to the best of my knowledge, information and belief, formed after reasonable inquiry (i) the Application complies with the Guidelines; (ii) the fees and disbursements sought (a) fall within the Guidelines, except as specifically noted herein and described in the Application; and (b) except to the extent prohibited by the Guidelines, are billed at rates, and in accordance with practices customarily employed by Arent Fox and generally accepted by Arent Fox's clients; (iii) in providing a reimbursable service, Arent Fox does not make a profit on that service, whether the service is performed by the applicant in-house or

through a third party; (iv) in charging for a reimbursable service, Arent Fox does not include any amounts for amortization of the cost of any investment, equipment or capital outlay; and (v) in seeking reimbursement for a service which Arent Fox justifiably purchased or contracted from a third party, Arent Fox has requested reimbursement only for the amount billed to Arent Fox by the third-party vendor and paid by Arent Fox to such vendor.

4. I certify that to the best of my knowledge, information and belief, formed after reasonable inquiry, the time records attached to the Application comply with the Guidelines.

5. I certify that to the best of my knowledge, information and belief, formed after reasonable inquiry, the Application sets forth at the outset and the schedule attached to the Application (the "Schedule") includes, a statement regarding (i) the amount of fees and disbursements sought, (ii) the time period covered by the Application, and (iii) the total professional and paraprofessional hours expended. I certify that the Schedule further includes (i) the name of each professional and paraprofessional, (ii) the position of each professional and paraprofessional, (iii) the year that each professional was licensed to practice, (iv) the hours worked by each professional and paraprofessional, and (v) the hourly rate for each professional and paraprofessional.

6. I certify that to the best of my knowledge, information and belief, formed after reasonable inquiry, ordinary business hour charges for secretarial, library, word processing and other staff service (exclusive of paraprofessional services) are not included in Arent Fox's overhead for the purpose of setting billing rates.

7. I certify that the amount charged for duplicating (\$.20 per page) is less than the actual cost of such duplicating.

8. I certify that to the best of my knowledge, information and belief, formed after reasonable inquiry, no agreement or understanding exists between Arent Fox and any other person for a division of compensation received or to be received for services rendered in or in connection with this Chapter 11 case, nor shall Arent Fox share or agree to share the compensation paid or allowed from the Debtor's estate for such services with any other person in violation of law except that Arent Fox is a professional limited liability company and the fees and expenses paid hereunder will be shared among the members according to the terms of their professional limited liability partnership agreement.

9. I certify that to the best of my knowledge, information and belief, formed after reasonable inquiry, no agreement or understanding prohibited by 18 U.S.C. § 155 has been made by Arent Fox.

Dated: New York, New York
April 8, 2009

/s/ Robert M. Hirsh
Robert M. Hirsh

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION**

IN RE:) 08-10434/Chapter 7 Proceeding
)
INTERNATIONAL HOME FASHIONS, INC.,)
)
Debtor.)

NOTICE OF OPPORTUNITY FOR HEARING

TAKE NOTICE that Arent Fox LLP Second and Final Application for Allowance of Compensation and Reimbursement of Expenses for the Period from January 1, 2009 through February 28, 2009 as counsel for the Official Committee of Unsecured Creditors has been filed, a copy of the application accompanies this notice.

TAKE FURTHER NOTICE that any response, including objection, to the relief requested in the attached application must be filed in writing with the Clerk of the Bankruptcy Court (100 Otis Street, Asheville NC 28801) within 20 days of the date of this Notice and a copy served on the attorney identified below and upon other parties as required by law or Court order. Any response shall clearly identify the specific application to which the response is directed, and it shall comply fully with Local Bankruptcy Rule 7.

TAKE FURTHER NOTICE that no hearing will be held on the application unless a written response is timely filed and served, in which case the Court will conduct a hearing on May 20, 2009 at 9:30 a.m. or thereafter as called for hearing before the Bankruptcy Judge Presiding in the first floor courtroom of the United States Courthouse, 100 Otis Street, Asheville, North Carolina. No further notice of this hearing will be given.

This the 9th day of April, 2009.

NELSON MULLINS RILEY & SCARBOROUGH, LLP

s/ Terri L. Gardner

Terri L. Gardner
North Carolina State Bar No. 9809
GlenLake One, Suite 200
4140 Parklake Avenue
Raleigh, North Carolina 27612
919.877.3800
919.877.3799 (facsimile)
Local Counsel for the Official
Committee of Unsecured Creditors

CERTIFICATE OF SERVICE

The undersigned certifies that copy of Notice of Opportunity for Hearing and Final Application for Fees and Expenses has this day been served upon each party listed on the attached mailing matrices, said service being by first class mail in a properly addressed envelope with adequate postage affixed.

This the 9th day of April, 2009.

NELSON MULLINS RILEY & SCARBOROUGH, LLP

s/ Terri L. Gardner

Terri L. Gardner

North Carolina State Bar No. 9809

GlenLake One, Suite 200

4140 Parklake Avenue

Raleigh, North Carolina 27612

919.877.3800

919.877.3799 (facsimile)

Local Counsel for the Official

Committee of Unsecured Creditors

Label Matrix for local noticing

0419-1

Case 08-10434

Western District of North Carolina

Asheville

Thu Oct 16 16:35:30 EDT 2008

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Asheville, NC 28813-0788

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1932 Wynnnton Rd.

Columbus, GA 31999-0797

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Bronx, NY 10474-6604

AAA Equitable

Charlotte Serv. Ctr.

PO Box 1047

Charlotte, NC 28201-1047

Allied Adjusters, Inc.

PO Box 47017

Jacksonville, FL 32247-7017

George P Angelich

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New York, NY 10019-5820

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1200 Mayport Road

Atlantic Beach, FL 32233-3436

Arent Fox LLP

1675 Broadway

New York, NY 10019-5820

Avalon Risk Mgt./Lincoln Gen. Insurance

150 Northwest Blvd. 4th Floor

Elk Grove Village, IL 60007

Averitt Express

PO Box 3145

Cookeville, TN 38502-3145

Averitt Express, Inc.

PO Box 3166

Cookeville, TN 38502-3166

Bank of Asheville

79 Woodfin Place

Asheville, NC 28801-2492

Bellwether Products, Inc.

P.O. Box 6074

Attn.: Mr. David wood

Falmouth, ME 04105-6074

Black Box Network

525 West Oakland Ave #7

Johnson City, TN 37604-1673

Blue Cross Blue Shield

PO Box 538660

Atlanta, GA 30353-8660

Blue Ridge Printing

544 Haywood Road

Asheville, NC 28806-3556

Bureau Veritas Hong Kong Ltd.

14630 Collection Centre

Chicago, IL 60693-0146

Canon Conventional Royalty

c/o Pillowtex Holdings

103 Foulk Rd. #116

Wellington, DE 19803-3742

Capstone ISG, Inc.

900 Commonwealth Place

Suite 100

Virginia Beach, VA 23464-4517

Capstone, ISG

Suite 102

900 Commonwealth Place

Virginia Beach, VA 23464-4517

Carter & Schnedler, PA

56 Central Avenue

Asheville, NC 28801-2490

China National Minmetals

F7, NO2 Wenchang St.

Zhongshan West Rd.

Ningbo, CHINA

Clark Brinkley

507 West State Street

Black Mountain, NC 28711-2745

Cogburn & Brazil, P.A.

PO Box 120

Asheville, NC 28802-0120

Columbia Healthcare Serv.

Venturi Staffing

Location 64132

Cincinnati, OH 45264-1832

Commerce Technologies

Client Srvices

PO Box 33197

Hartford, CT 06150-3197

Connecticut

PO Box 1869

Hartford, CT 06144-1869

Corrugated Containers

1040 Rogers Bridge Rd.

Duncan, SC 29334-9749

Corrugated Containers, Inc.

PO Box 2807

Spartanburg, SC 29304-2807

Customs Services and Sol.
PO Box 5644
Douglasville, GA 30154-0011

Daniel Communications
PO Box 40
Asheville, NC 28802-0040

Daniels Communications, Inc.
131 Sweeten Creek Road
Asheville, NC 28803-1526

David S. Fraser
107 Lauerl Smt. Dr.
Asheville, NC 28803-8516

Dekko Technologies
PO Box 66879
Indianapolis, IN 46266-6879

Diamond Springs
PO Box 667887
Charlotte, NC 28266-7887

Diane Richardson
367 East Bodley Ave.
Kirkwood, MO 63122-4423

Dreamwell, Ltd.
c/o Lisa P. Sumner
Poyner & Spruill LLP
P. O. Box 10096
Raleigh, NC 27605-0096

Dreamwell, Ltd.
2215-B Renaissance Dr#12
Las Vegas, NV 89119-6163

EFI Global, Inc.
2218 Northpark Drive
Attn: Deborah Cummings
Kingwood, TX 77339-1731

EH Development, Inc. (Erwin Haney)
513 Pinchot Drive
Asheville, NC 28803-1942

Euler Hermes ACI
Agent of Newworld Inc
800 Red Brook Boulevard
Owings Mills, MD 21117-5173

Ezcom Software
PO Box 95000-2550
Philadelphia, PA 19195-0001

FEDEX
PO Box 371461
Pittsburgh, PA 15250-7461

Fibex, Incorporated
P.O. Box 2202
Aiken, SC 29802-2202

GE Money Bank
c/o Recovery Management System Corp
Attn: Ramesh Singh
25 S.E. 2nd Avenue
Suite 1120
Miami, FL 33131-1605

GMAC
PO Box 2182
Greeley, CO 80632-2182

Terri L. Gardner
Nelson Mullins Riley & Scarborough, LLP
P.O. Box 30519
Raleigh, NC 27622-0519

Global Exchange Ser.
PO Box 640371
Pittsburgh, PA 15264-0371

Golding Fabric
7097 Mandenhall Rd.
Archdale, NC 27263-3909

David G. Gray
81 Central Avenue
Asheville, NC 28801-2438

Group Dekko, Inc.
Attn: Martin E. Seifert
444 E. Main Street
Fort Wayne, IN 46802-1911

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Paojiang Industrial Pk.
Shaoxing, Zhejiang
CHINA

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Easley, SC 29641-2047

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Initial Systems, Inc.
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Taylors, SC 29687-0008

Interman
Yuhang Eco. Devel. Zone
Zhejiang
PR of China 311100
CHINA

(p)INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY OPERATIONS
PO BOX 21126
PHILADELPHIA PA 19114-0326

International Home Fashions, Inc.
77 Central Avenue
Ste E
Asheville, NC 28801-2451

J. Tedd Smith
9 Brookwood Court
Asheville, NC 28804-1640

JM Creative Solutions
16 West 36th Street
New York NY 10018-8004

Document Page 41 of 48
JM Marketing and Advertising Group/JM Creati
16 West 36th Street
New York, NY 10018-8004

Jim Mitchell
229 S. Main Avenue
Erwin, TN 37650-1141

Joden Shen
6F #2630 Nanhuan Rd.
BinJiang
Hangzhou, China
CHINA

KMart Corp.
c/o Arnstein & Lehr
Attn: Jason Hirsh
120 S.Riverside, #1200
Chicago, IL 60606-3910

Kay Carter
PO Box 442
Swannanoa, NC 28778-0442

Kelley Drye & Warren LLP
Attn: Treasurer's Dept
101 Park Ave.
New York, NY 10178-0062

Kmart Corporation
Matthew Joly, Sr. Counsel, Sears Holding
333 Beverly Road B6-311A-Law Dept. 766X
Hoffman Estates, IL 60179-0001

Manhattan Properties Co.
295 Fifth Avenue
New York, NY 10016-7103

Manhattan Properties I, LLC d/b/a Manhattan
Rosenberg & Estis, P.C.
733 Third Avenue, 14th Floor
Attn: Neil C. Dwork, Esq
New York, NY 10017-3204

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333 Beverly Road B6-311A-Law Dept. 766X
Hoffman Estates, IL 60179-0001

Matthew Joly, Sr.Counsel
Sears Holdings
Law Dept 766X
3333 Beverly Rd. B6-311A
Hoffman Est. IL 60179-0001

Mediflow Inc
Euler Hermes ACI
Agent of Mediflow Inc
800 Red Brook Boulevard
Owings Mills MD 21117-5173

Mediflow, Inc.
PO Box 3534
MIP Markham
Toronto, ON L3R 6G8
CANADA

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No. 239 Qinmu Road
Chuansha Zone Pudong
CHINA

Mountain Valley Spring Water
PO Box 8182
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NEOPOST
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Tampa, FL 33631-3021

Nash & Powers
PO Box 1568
Bristol, TN 37621-1568

Neil C. Dwork, Esq.
Rosenberg & Estis, P.C.
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2411 North Oak St, Suite. 301
Founders Centre
P.O. Box 3939
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New England Business Ser
PO Box 88042
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Newworld Inc.
Attn: Aamar Ali
69 Penbridge Circle
Brampton, ON L7A 2P8

Newworld, Inc.
c/o Lewis, Brisbois
Attn: Tahair Gill
199 Water St., #2500
New York, NY 10038-3526

North Carolina Department of Revenue
Bankruptcy Unit
P.O. Box 1168
Raleigh, NC 27602-1168

Nuvox Communications
PO Box 580451
Charlotte, NC 28258-0451

Old Dominion Freight Line
PO Box 198475
Atlanta, GA 30384-8475

Orient Home Textiles
No. 12 West Lake Avenue
Hangzhou, China
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Packaging Corp. of Amer.
Packaging Credit Co.
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Atlanta, GA 30353-2058

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Louisville, KY 40285-6390

Q C Apparel
A/R Funding
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Greenville, SC 29606-7253

Rastorm Electronic Co.
Jin He Hi-Tech Area
Zhang Mutu Dong Guan PRC
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Reed Business Information
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Richard Brown And Assocites, Inc.
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Shanghai, China
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SHOWOFFS
P.O. Box 3472
Westport, CT 06880-8472

Season Textile
Group 21 Yunhe Village
Liangzhu Hangzhou China
CHINA

Sentry Sprinkler Service
PO Box 947
Mauldin, SC 29662-0947

Silver Linings
1703 Ternberry Rd.
High Point, NC 27262-7415

Silver Linings Textiles, Inc.
c/o James R. Hundley, Esquire
P.O. Drawer 2086
High Point, NC 27261-2086

Southeastern Freight
PO Box 1691
Columbia, SC 29202-1691

Southeastern Freight Lines
c/o RMS Bankruptcy Service
PO Box 5126
Timonium, MD 21094-5126

Staples
Dept Box 85101
PO Box 30851
Hartford, CT 06150-0851

Star Asia International
Attn: Bruce A. Schechter
208 Church Street
Decatur, GA 30030-3328

Lisa P. Sumner
Poyner Spruill LLP
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Raleigh, NC 27602-1801

Sunrise Textile
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Tangqiao Town
Jhangjiangang
CHINA

Synter Resource Group
PO Box 63247
N.Charleston, SC 29419-3247

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Annual Report
6th Floor
312 Eight Avenue, North
Nashville, TN

Thomas W. Gibbs
11 Forest Ridge Drive
Weaverville, NC 28787

Tribuzio Hilliard Studio
PO Box 35307
Greensboro NC 27425-5307

U.S. Bankruptcy Administrator
402 W. Trade Street
Suite 200
Charlotte, NC 28202-1673

U.S. Securities Exchange
Suite 1000
3475 Lenox Rd., N.E.
Atlanta, GA 30326-3235

ULINE
Attn Acct. Rec.
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Waukegan, IL 60085-8311

United States Attorney
Federal Courthouse Rm. 233
100 Otis Street
Asheville, NC 28801-2608

Upstate Forklift
PO Box 39 2425
Sandifer Blvd.
Seneca, SC 29679-0039

VEKEN
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Verizon
PO Box 15124
Albany, NY 12212-5124

Verizon
PO Box 3037
Bloomington, IL 61702-3037

Wal-Mart Stores, Inc.
Hayes and Boone, LLP
Attn: Jason Binford
901 Main Street, Suite 3100
Dallas, TX 75202-3789

West Virginia Div. Of Labor
Capital Complex 6RM 7498
Charleston, WV 25305

Westfield Bank, FSB
PO Box 5002
Westfield Ctr OH 44251-5002

Yinzhou Foreigh
Trade Co. Ltd.
9F 886 E Baizhang Rd.
Ningbo China
CHINA

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified
by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g)(4).

Internal Revenue Service
P.O. Box 21126
Philadelphia, PA 19114

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)Dreamwell, Ltd.
c/o Lisa P. Sumner
Poyner & Spruill LLP
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Raleigh, NC 27605-0096

(u)Dreanwell, Ltd.

(u)George R. Hodges

(d)Manhattan Properties Company
295 Fifth Avenue
New York, NY 10016-7103

(u)Official Committee of Unsecured Creditors

(d)Silver Linings, Inc.
1703 Ternberry Road
High Point, NC 27262-7415

End of Label Matrix
Mailable recipients 125
Bypassed recipients 6
Total 131

Label Matrix for local noticing

AFLAC

AAA Equitable

0419-1

Remittan Proc. Ser.

Charlotte Serv. Ctr.

Case 08-10434

1932 Wynnnton Rd.

PO Box 1047

Western District of North Carolina

Columbus, GA 31999-0797

Charlotte, NC 28201-1047

Asheville

Thu Oct 16 16:35:30 EDT 2008

Advanced Mailing Systems

Allaire

Allied Adjusters, Inc.

PO Box 15788

528 Craven street

PO Box 47017

Asheville, NC 28813-0788

Bronx, NY 10474-6604

Jacksonville, FL 32247-7017

George P Angelich

Applications Engineering Group, Inc.

Arent Fox LLP

ARENT FOX, LLP

1200 Mayport Road

1675 Broadway

1675 Broadway

Atlantic Beach, FL 32233-3436

New York, NY 10019-5820

New York, NY 10019-5820

Avalon Risk Mgt./Lincoln Gen. Insurance

Averitt Express

Averitt Express, Inc.

150 Northwest Blvd. 4th Floor

PO Box 3145

PO Box 3166

Elk Grove Village, IL 60007

Cookeville, TN 38502-3145

Cookeville, TN 38502-3166

Bank of Asheville

Bellwether Products, Inc.

Black Box Network

79 Woodfin Place

P.O. Box 6074

525 West Oakland Ave #7

Asheville, NC 28801-2492

Attn.: Mr. David wood

Johnson City, TN 37604-1673

Falmouth, ME 04105-6074

Blue Cross Blue Shield

Blue Ridge Printing

Bureau Veritas Hong Kong Ltd.

PO Box 538660

544 Haywood Road

14630 Collection Centre

Atlanta, GA 30353-8660

Asheville, NC 28806-3556

Chicago, IL 60693-0146

Canon Conventional Royalty

Capstone ISG, Inc.

Capstone, ISG

c/o Pillowtex Holdings

900 Commonwealth Place

Suite 102

103 Foulk Rd. #116

Suite 100

900 Commonwealth Place

Wellington, DE 19803-3742

Virginia Beach, VA 23464-4517

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Carter & Schnedler, PA

China National Minmetals

Clark Brinkley

56 Central Avenue

F7, NO2 Wenchang St.

507 West State Street

Asheville, NC 28801-2490

Zhongshan West Rd.

Black Mountain, NC 28711-2745

Ningbo, CHINA

Cogburn & Brazil, P.A.

Columbia Healthcare Serv.

Commerce Technologies

PO Box 120

Venturi Staffing

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Asheville, NC 28802-0120

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Hartford, CT 06150-3197

Connecticut

Corrugated Containers

Corrugated Containers, Inc.

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1040 Rogers Bridge Rd.

PO Box 2807

Hartford, CT 06144-1869

Duncan, SC 29334-9749

Spartanburg, SC 29304-2807

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Douglasville, GA 30154-0011

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Asheville, NC 28802-0040

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P.O. Box 2202
Aiken, SC 29802-2202

GE Money Bank
c/o Recovery Management System Corp
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7097 Mandenhall Rd.
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David G. Gray
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Asheville, NC 28801-2438

Group Dekko, Inc.
Attn: Martin E. Seifert
444 E. Main Street
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Taylors, SC 29687-0008

Interman
Yuhang Eco. Devel. Zone
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PR of China 311100
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CENTRALIZED INSOLVENCY OPERATIONS
PO BOX 21126
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Asheville, NC 28801-2451

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9 Brookwood Court
Asheville, NC 28804-1640

JM Creative Solutions
16 West 36th Street
New York NY 10018-8004

Document Page 46 of 48
JM Marketing and Advertising Group/JM Creati
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120 S.Riverside, #1200
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Brampton, ON L7A 2P8

Newworld, Inc.
c/o Lewis, Brisbois
Attn: Tahair Gill
199 Water St., #2500
New York, NY 10038-3526

North Carolina Department of Revenue
Bankruptcy Unit
P.O. Box 1168
Raleigh, NC 27602-1168

Nuvox Communications
PO Box 580451
Charlotte, NC 28258-0451

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Jin He Hi-Tech Area
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Liangzhu Hangzhou China
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Sentry Sprinkler Service
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Mauldin, SC 29662-0947

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High Point, NC 27262-7415

Silver Linings Textiles, Inc.
c/o James R. Hundley, Esquire
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High Point, NC 27261-2086

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c/o RMS Bankruptcy Service
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Greensboro NC 27425-5307

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Hayes and Boone, LLP
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West Virginia Div. Of Labor
Capital Complex 6RM 7498
Charleston, WV 25305

Westfield Bank, FSB
PO Box 5002
Westfield Ctr OH 44251-5002

Yinzhou Foreign
Trade Co. Ltd.
9F 886 E Baizhang Rd.
Ningbo China
CHINA

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified
by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g)(4).

Internal Revenue Service
P.O. Box 21126
Philadelphia, PA 19114

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)Dreamwell, Ltd.
c/o Lisa P. Sumner
Poyner & Spruill LLP
P. O. Box 10096
Raleigh, NC 27605-0096

(u)Dreanwell, Ltd.

(u)George R. Hodges

(d)Manhattan Properties Company
295 Fifth Avenue
New York, NY 10016-7103

(u)Official Committee of Unsecured Creditors

(d)Silver Linings, Inc.
1703 Ternberry Road
High Point, NC 27262-7415

End of Label Matrix
Mailable recipients 125
Bypassed recipients 6
Total 131